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PROVINCIAL TREASURY CIRCULAR 12 OF 2010

**TO: ACCOUNTING AUTHORITY OF PROVINCIAL PUBLIC ENTITIES
CHIEF FINANCIAL OFFICERS OF PROVINCIAL PUBLIC ENTITIES**

2009/10 YEAR-END REPORTING REQUIREMENTS

The financial year-end is approaching. According to the Public Finance Management Act of 1999 (PFMA) Section 55 (c), the Accounting Authority for a public entity –

“(c) must submit the financial statements within two months after the end of the financial year –

- (i) to the auditors of the public entity for auditing,
- (ii) if it a business enterprise or other public entity under the ownership control of the provincial government, to the relevant treasury”

The latter is meant to enable that treasury to prepare consolidated financial statements in terms of section 19.

The Provincial Treasury would thus advice public entities to ensure that the following issues are attended to:

Audit process

Public Entities should ensure that the Audit Steering Committees are established at the beginning of the audit process. The terms of reference and the constitution of the Audit Steering Committee are outlined in Annexure A.



Preparation of Financial Statements

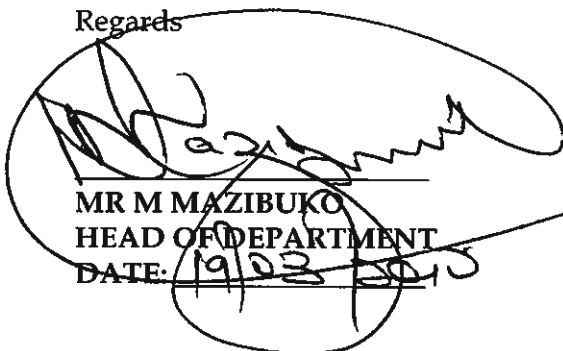
- A template to prepare the annual financial statements has been issued to the public entities and is also available on the website <http://oag.treasury.gov.za>. This will assist in ensuring that the financial statements are properly and timely compiled.
- All suspense accounts should be cleared by 31 March 2010 to enable the entities to provide complete financial information on expenditure and revenue.
- Stock counts and reconciliation of control accounts must be performed.
- All misallocations should be corrected to minimise material misstatement.
- All the supporting documentation for all the transactions, and other important records, should be made available for audit purposes.

Submission of performance information

The Auditor-General will be engaging in performance audit reviews for the financial year ended 31 March 2010. Public Entities are therefore required to submit the performance information, which would later be included in the annual report, to the Office of the Auditor-General by 31 May 2010 to enable the auditors to perform the necessary audit procedures before 31 July 2010.

It is crucial that the above issues be prioritised in order to ensure adherence to legislation.

Regards



MR M MAZIBUKO
HEAD OF DEPARTMENT
DATE: 19/03/2010